

The GLP-1 game plan

Strategies for managing the cost of anti-obesity medications

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A new class of anti-obesity medications has become the most talked-about drugs in all of pharmacy.

However, they now present a dilemma for plan sponsors: Should these medications be covered on their benefit plans? If so, can it be done in a manner that balances the need to contain costs with positive clinical outcomes?

Glucagon-like peptide 1 (GLP-1) agonist drugs mimic the action of hormones involved in regulating blood sugar and caloric intake. People using these drugs experience a slower emptying of the stomach and decreased appetite. As a result, some patients are reporting body weight reductions of 20% or more, which is on par with bariatric surgery.¹

GLP-1 drugs were already widely used for type 2 diabetes management when people began to notice they also caused weight loss. In fact, the active ingredients in the three GLP-1 therapies currently approved for obesity management were previously approved for diabetes under different brand names.

Chemical name	For diabetes	For weight loss	List Price: diabetes/weight loss
liraglutide	Victoza®	Saxenda®	\$1,204/\$1,309
semaglutide	Ozempic®	Wegovy®	\$1,403/\$1,349
tirzepatide	Mounjaro®	Zepbound®	\$1,036/\$1,060



The average monthly wholesale price of each approved GLP-1 anti-obesity medication currently exceeds \$1,000.



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1 The obesity GLP-1 coverage conundrum

The average prescription drug cost is \$86 per Rx. At more than \$1,000 per month, it's understandable why many people consider obesity GLP-1s expensive. What's more, millions of people could potentially be in line to use them. Based on FDA package labeling more than **half of U.S. adults** are eligible for a GLP-1.

Historically, the record of anti-obesity medications has been mixed. Most notably, distribution of a combination of the drugs fenfluramine and dexfenfluramine (fen-phen) was discontinued in 1997 after a study showed increased risk of heart disease. As a consequence, few new drugs for weight loss came to market for many years.

While things began to thaw with the approval of Qsymia® in 2012 and Contrave® in 2014, recent data related to GLP-1s safety and effectiveness has changed the outlook of the anti-obesity drug class dramatically.

For example, in addition to their weight-loss properties, a recent clinical study evaluated semaglutide in people who experienced a previous cardiovascular event such as heart attack or stroke. The study found that they were less likely to have a second such event over a 3-year period when compared to placebo.³

Given this, plan sponsors should start preparing for an increased demand for GLP-1 medications. This includes developing a program approach that balances providing access to these drugs with maintaining the affordability of the pharmacy benefit.



Overweight and obese individuals are at a higher risk of diabetes, heart disease, and overall poor health. Treatment of obesity-related conditions costs the U.S. health care system nearly \$173 billion each year.⁴

Furthermore, employers can expect annual productivity losses due to obesity ranging from \$271 to \$542 per employee with obesity.⁵





A comprehensive strategy

Managing the costs of these new drugs requires a holistic approach. That's why Optum Rx is already working to provide the solutions you need. Affordability is critical and we continue to negotiate with drug manufacturers to reduce the price of GLP-1 drugs.

While the new drugs work well, members will also require personalized diets and behavior change programs to achieve and sustain their weight loss goals.

To help members achieve and sustain their weight loss goals, Optum Rx has developed clinical programs designed to support responsible use of GLP-1 drugs. Optum Rx Weight Engage is an innovative new weight management solution suite that drives appropriate GLP-1 utilization and guides members toward improved health outcomes.

This program integrates two key features:

- 1. Medical necessity standards for GLP-1 anti-obesity medications. That means controlling utilization, so the drugs are only used by those who meet the criteria defined by the plan.
- 2. Since these drugs only achieve maximal weight loss along with behavioral support, diet and exercise, Optum Rx Weight Engage incorporates member support programs to help permanently change the behaviors contributing to obesity.

As weight loss spend can vary widely for clients, Optum Rx Weight Engage is designed to be flexible. Our strategic benefit planning service delivers insights and strategies tailored to your unique needs.

"Optum Rx Weight Engage offers clinically appropriate programs that support wellness and better health for consumers and solutions to help clients manage drug spending,"

- Dr. Patrick Conway, CEO, Optum Rx









The road ahead

It's true the combination of high prices and a large population of potential users might signal tremendously high spending for plan sponsors in the years ahead. But there are also reasons for optimism.

An evolving class					
Drug	Manufacturer	Approval date	Max. estimated weight loss		
Saxenda®	Novo Nordisk	Dec. 2014	7%		
Wegovy®	Novo Nordisk	June 2021	16%		
Zepbound®	Eli Lilly and Co.	Nov. 2023	21%		

First, it's important not to get distracted by the high list prices. While manufacturers alone determine these "sticker prices," the price paid by plan sponsors is significantly discounted due to the efforts of Optum Rx negotiators.

Second, competition often lowers prices, and there is a robust pipeline both near term and longer term for even newer weight loss drugs. The first GLP-1 drugs such as Saxenda and Wegovy work by impacting a single metabolic pathway. In contrast, Zepbound activates two separate hormone receptors to aid in glucose management and help users feel full longer after meals.

Going forward we can expect additional drugs that combine a GLP-1 agonist with additional mechanisms to boost weight loss. For example, Eli Lilly recently reported Phase 2 clinical trial results for a drug aimed at three different pathways. Manufacturers are working on oral and small molecule versions of GLP-1 drugs as well. Longer term, we can also expect generic versions of GLP-1s to emerge.

We may also have new therapies to complement or even supersede GLP-1 drugs as researchers are investigating other pharmaceutical avenues for weight loss. Rather than using hormones to suppress appetite, some drugs in development seek to tweak your metabolism to increase lean muscle mass or even mimic the effects of physical exercise.

You can count on Optum Rx to keep working to help you manage access and utilization of GLP-1 drugs, ensuring both choice and value to you and your members.





For more information on how our weight management strategies can help your organization, please contact your Optum Rx representative.

Additional resources



Dive deeper into GLP-1 drugs in this <u>white paper</u>.



Hear from Optum Rx thought leaders on our <u>Pharmacy Insights Podcast</u>.

About Optum Rx

Optum Rx is a pharmacy care services company helping clients and more than 60 million members achieve better health outcomes and lower overall costs through innovative prescription drug benefits services.

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